Casualty Assistance Officer Pocket Guide to Casualty Entitlements

DFAS - Army Military Pay Operations (AMPO)
Centralized Casualty Control Cell

December, 2005

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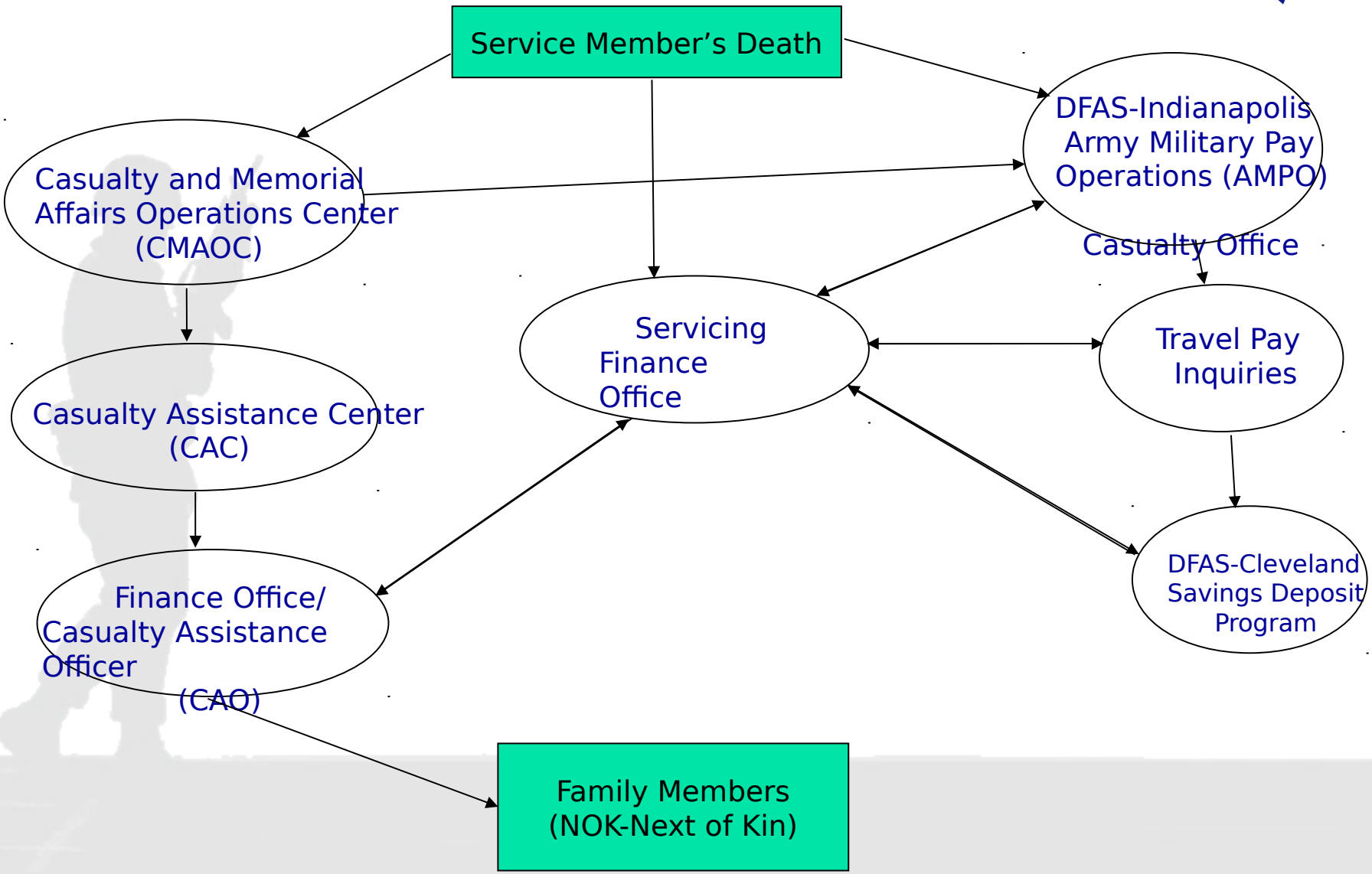
Flowchart


Service Member's Death
Casualty and Memorial Affairs Operations Center (CMAOC)
DFAS-Indianapolis Army Military Pay Operations (AMPO)
Casualty Office
Servicing Finance Office
Travel Pay Inquiries
Casualty Assistance Center (CAC)
DFAS-Cleveland Savings Deposit Program
Finance Office/ Casualty Assistance Officer (CAO)
Family Members (NOK-Next of Kin)

Preface

- This guide compliments the U.S. Army Casualty Assistance Officer Workbook. It provides summary answers to the Designated Beneficiary Pay and Allowance Entitlements and includes Primary Points of Contact when special assistance is required.
- Entitlement Information is current as of December 1, 2005.
- Your designated Casualty Assistance Center (CAC) is the primary source for assistance. Complete instructions, forms, points of contact are in the Army Casualty Assistance Officer (CAO) Handbook.
- The DFAS-IN, Military Pay Operations, Central Casualty Cell, is available to address issues the CAO may experience with the DFAS pay settlement processes. Contact information is:
  - ✓ email: DFAS-IN CAS_CONTL@DFAS.MIL
  - ✓ Telephone: Toll Free 877-734-6202 / Commercial (317) 510-7030.

Allotments

- Allotments are stopped at the time of service member's death when the pay account is suspended or placed in a deceased status.
- The CAO should obtain a record of all allotments from the supporting Finance Activity and notify the family with information as to whom they were payable to.
- If the date of death is close to the end of month, the Soldier's allotments may have already been issued.
- Contact the Finance office if the CAO has problems verifying the allotment.

Final Pay and Allowances

- Designated beneficiaries on DD Form 93 will receive all pay and allowances the Soldier was entitled to at the time of death, taxed according to Soldier's tax liability. The Finance Office servicing the CAC and CAO will ensure the Soldier's account is current and assist with entitlement questions.

- Special provisions for CAO Information:
  - ✓ Accrued Leave. The final pay will include the number of unused days of accrued leave, including those beyond 60 days.
  - ✓ Basic Allowance for Housing (BAH). Family members are entitled to BAH upon receipt of Quarters Assignment Termination - not to exceed one year from the date of death. If entitled to BAH, the allowance is paid in a lump sum.
  - ✓ Bonus Payments. The final pay will include all future bonus payments that would have become due.

Final Pay and Allowances – Continued

- ✓ Returned payments. Allotments and miscellaneous deductions distributed as part of the normal pay cycle and subsequently returned to DFAS is credited to the Soldier's pay account. DFAS will provide a supplemental payment to the designated beneficiary.

Death Gratuity

- Death Gratuity (DG) is a lump-sum payment payable to the deceased Soldier's designated beneficiary. The deceased Soldier's eligibility is based on active duty, active duty for training or inactive duty for training status.

- Death Gratuity is payable if a Soldier dies within 120 days after release from active duty, if death is due to a service-connected disability.

- Death Gratuity is not considered money due the member and does not become a part of the member's estate. It is not controlled by any instructions that may be contained in the member's will.

- Death Gratuity is a non taxable entitlement paid to the designated beneficiary. It is exempt from any indebtedness the member may have accrued.

Death Gratuity - Continued

- Effective January 1, 2005, the Death Gratuity payment is $12,420.00 Public Law 108-375, prescribed an automatic adjustment mechanism to increase the death gratuity payment by the annual increase in rates of Basic Pay.

- The FY 2006 National Defense Authorization Act (NDAA) dated 23 Dec 05, authorized death gratuity payment of $100,000.00 for all Soldier's who die while on active duty, not just those who die in combat or combat-related training retroactive to October 7th, 2001.

- If the Death Gratuity was initially paid at the rate of $12,420.00 and Soldier died while on active duty, the additional amount (not to exceed $100,000.00 total), is paid DFAS-IN casualty office.

Death Gratuity - Continued

- Payments are via EFT, check or a combination of the two. The CAO may pick-up check payments for delivery to the designated beneficiary. The CAO must positively verify the correct dependent is paid the Death Gratuity.

- The Finance Activity that supports the respective Casualty office pays the Death Gratuity when the deceased Soldier is survived by a spouse and/or children over the age of 18.

- DFAS-IN will pay the Death Gratuity if the designated beneficiary is a minor (i.e., under 18) child. If the designated beneficiary is a minor the death gratuity payment is check only.

Death Gratuity - Continued

- The payment is made within 72 hours of receipt of authorization. DD Form 93 contains information on eligible beneficiary or eligible non-designated beneficiary. Before paying the Death Gratuity, verify correct beneficiaries.

- Form 397 is the claim certification and Voucher for Death Gratuity Payment to be signed by the beneficiaries at the time of the payment.

- For more information: see DODFMR, Vol 7A, Chapter 36.

Tax Exclusion

Combat Zone Tax Exclusion and Tax Liability

- A Soldier who was evacuated and hospitalized for a wound or injury as a result of hostile action, preceding death, is entitled to CZTE for each month hospitalization continues.
- For a death caused by terrorist or Military Action (excluding training activities), the law forgives the deceased member's tax liability for the year of death and for prior tax year(s) for the period beginning with the tax year before the year the injuries or wounds were incurred.
- For more information: see DODFMR, Vol 7A, Chapter 10 and Chapter 44-440104 (Tax Abatement).

Savings Deposit Program (SDP)

- Soldier's deployed in combat zones, qualified hazardous duty areas, or certain contingency operations are eligible to deposit up to $10,000 annually. Interest is earned at 10% per year on the amount up to $10,000.00. DFAS-Cleveland (DFAS-CL) administers SDP.

- The DFAS-IN, Central Casualty Office will contact DFAS-CL and notify the CAO of any balances remaining.

- If the designated beneficiary decides not to withdraw the funds immediately, they will collect interest for 90 days after the date of the service member's death on the amount not to exceed $10,000.00. After this date, the interest stops accruing and the funds should be withdrawn.

- For more information: See DODFMR, Vol 7A, Chapter 51

Savings Deposit Program - Continued

- To withdraw funds, the designated beneficiaries mail or FAX a written request with their signature and a copy of the death certificate to Defense Finance and Accounting Service Cleveland (DFAS-CL) at:
  - ✓ DFAS- Cleveland (DFAS-CL)
  - ✓ ATTN: Code PMMCCB, Special Claims
    1240 East 9th Street
    Cleveland, OH 44199-2055
  - ✓ Toll Free (stateside only): 1-800-624-7368
    COMM: 216-522-6545 DSN: 580-6545 Fax: 216-522-6924
    OR - e-mail: CCL-SDP@dfas.mil

- DFAS-CL pays SDP deposit and interest earned to the beneficiary within 14 processing days after receipt of written withdrawal request.

Servicemember's Group Life Insurance

Servicemember's Group Life Insurance (SGLI):

- Servicemember's Group Life Insurance (SGLI) is a program of low cost life insurance. Soldiers are automatically insured for current maximum coverage of $400,000 on September 1, 2005 unless they elect a lower coverage amount. The SGLV Form 8286 contains the Soldier's election and will identify those who elected lower coverage.

- Combat SGLI. Public Law 109-13 provides $150,000.00 additional SGLI coverage automatically for members in a combat zone who previously elected less than the $400,000 coverage.

Service Member's Group Life Insurance - Cont'd

- Family SGLI. A program to provide coverage for Spouses (and dependent children). If member was married to another member, the spouse would become the beneficiary.

- The CAO office will assist with claims for death benefits under the SGLI program. The claim form is SGLV 8283A and can be found at http://www.insurance.va.gov/sgliSite/forms/8283A.pdf.

- For More Information: See DODFMR, Vol 7A, Chapter 47.

Savings Bonds Held in Safekeeping

- DFAS-IN, Centralized Disbursing (DCD) will release bonds purchased through payroll deduction and held for safekeeping to the, beneficiary, or co-owner upon request.

- As part of the settlement process, the DFAS-IN Central Casualty Office will notify the CAO of any bonds held in safekeeping.

- The CAO will assist the designated beneficiary request release of bonds. Send email requests to: DFAS-IN-CDS.BONDS@DFAS.MIL. Provide the Soldier's SSN, Name, and the address where the bonds are to be mailed.

- Requests submitted in the mail are submitted to:
  - ✓ DFAS-IN
    ATTN: ADCABG
    8899 E. 56th Street
    Indianapolis, IN 46249

Thrift Savings Plan (TSP)

- The Thrift Savings Plan (TSP) is a Federal Government sponsored retirement savings and investment plan.
- The CAC and CAO should contact the designated supporting Finance Office to determine if the Soldier has TSP in effect.
- Soldiers normally designate beneficiaries using form TSP-U-3. If the form was not completed or is not available, TSP is distributed according to precedence.
- To receive the TSP Payment, Form TSP-U-17, Information Relating to Deceased Participant, must be submitted to the TSP Service Office with a copy of the death certificate.
- Tax deferred payments made directly to spouses of deceased participants are subject to 20 percent mandatory Federal income tax withholding. Payments made to other than the spouse are subject to a 10 percent withholding.

Thrift Savings Plan (TSP) - Continued

- To avoid the mandatory withholding and defer paying taxes on all or part of these payments, the surviving spouse can transfer the TSP amount to a traditional IRA or Eligible Employer Plan. To have the benefit payment transferred to a traditional IRA or Employer Plan, the spouse and the IRA or plan administrator must complete a Form TSP-U-13-S, Spouse's Election of Payment Method.

- Payments of tax exempt money remain tax exempt and are not subject to mandatory withholding. The tax exempt amount is eligible for transfer to an IRA or eligible employer plan; however, the IRA or employer plan must indicate on form TSP-U-13-S they will accept tax-exempt money.

- For more information or to obtain copies of the forms, visit: WWW.TSP.GOV

Debts

- Debts of Soldier's killed due to hostile fire action are verified and written off in accordance with 31 CFR 903.3 "Inability to Collect".

- Debts of deceased Soldier's less than $2500.00 are reviewed. A copy of the death certificate is requested. Upon verification of date of death, collection on debt is terminated and written off based on 31 CFR 903.3 "Inability to Collect".

- Debts of deceased Soldier's greater than $2500.00 are audited for validity and referred to Special Actions Branch to collect against Soldier's estate. If Soldier does not have an estate to collect against, collection is terminated and the debt is written off based on 31 CFR 903.3 "Inability to Collect".

- For more information contact:
  - ✓ Debt and Claims – 1-800-962-0648

Travel Settlements

- The Joint Federal Travel Regulations authorize funeral and burial travel allowances for dependants of deceased Soldiers when authorized by the CAC.

- Dependent Travel associated with a deceased member, to include travel to their final home and movement of Household Goods are authorized for up to one year following the Soldiers death.

- The Soldier's Final Travel Settlement for duty performed under Temporary Change of Station (TSC) Orders to the Theater is payable to designated beneficiaries. The beneficiary has authority to sign this final voucher for the deceased member.

- Instructions for completing and submitting claims are contained in the "Casualty Assistance Officer (CAO) Guide for Submitting DD Form 1351-2 for Soldiers Killed in Action".

Travel Settlements - Continued

- Points of Contact:

√ By Mail: DFAS-IN Casualty Travel Br.
8899 E 56th St
Stop 3700
Indianapolis IN 46249

√ By FAX: 317-510-7699

- Copies are available from the designated CAC or by Contacting the DFAS-IN Central Casualty Office.

✓ Email: DFAS-IN CAS_CONTL@DFAS.MIL
Telephone: Toll Free 877-734-6202
Comm. 317-510-7030
DSN: 699-7030

MGIB Survivor Benefit

- Payments to the Montgomery GI Bill by the Soldier may be refunded to the designated beneficiary. The refund is the amount the Soldier paid less any education benefits received.

- Eligible Beneficiaries: The VA determines the beneficiary using the same criteria as Servicemember's Group Life Insurance. If no such person(s) is surviving, then no payment is made.

- Apply by letter with copy of death certificate to:
  - √ Department of Veterans Affairs
    P. O. Box 66830
    St. Louis, MO 63166-6830

24 Hour Number

- For assistance, you may call the number listed below. If no answer, please leave a message and a casualty assistance person will return your call at the earliest available time.

- Number: Toll Free 877-734-6202
  Commercial 317-510-7030
  DSN 699-7030

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